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Scrooge employers named and shamed

Two hundred and sixty employers feature in a government list of firms that failed to pay 16,000 workers at least National Minimum Wage rates.

Government investigators identified £1.7 million in back pay for some of the UK's lowest paid workers and fined employers £1.3 million for underpayment.

Retail, hairdressing and hospitality businesses were among the most prolific offenders in this round of naming and shaming. Common reasons for errors made include: failing to pay workers travelling between jobs, deducting money from pay for uniforms and not paying for overtime.

Retailer Sports Direct was named as the fourth-largest offender and has had to hand back £167,036 to 383 workers, while its staffing agencies – Best Connection and Transline – topped the shame list for underpaying employees.

Best Connection was found to have underpaid £469,273 to 2,558 workers and Qualitycourse Limited, which trades as Transline, had failed to pay £310,302 to 1,421 workers.

Another retailer – Primark – was listed as the third-largest offender. It deducted shop worker's

uniforms from their salaries, resulting in them earning less than the minimum wage. Primark was forced to pay back £231,973 to 9,735 employees.

Six football clubs featured – the highest ranked in league terms – was Wolves of the Championship, followed by Bristol Rovers of League One and Torquay of the National League. Three Scottish clubs were listed: Motherwell of the Scottish Premiership – and Greenock Morton and Falkirk – both from the Scottish Championship.

www.gov.uk/government/news/17m-back-pay-identified-for-a-record-16000-workers-as-260-employers-are-named-and-shamed-for-underpaying-minimum-wage-rates

No joy in average earnings figures

The squeeze on workers' living standards continues as earnings growth once again lags well behind inflation.

In October, growth in average weekly earnings growth, including bonuses, was provisionally estimated to be 2.3% against the revised rise for September of 2.8%.

With retail price inflation rising by 4.0% in October and 3.9% in September there was a real-terms decrease in earnings of 1.7 percentage points in October and a decrease of 1.1 percentage points in September.

LABOUR RESEARCH DEPARTMENT

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The sectoral figures published by the Office for National Statistics (ONS) show manufacturing earnings growth was boosted to 3.0% in October against just 2.0% in September. However, growth in services was cut to 2.4% from 2.9%.

In the private sector as a whole, growth was down to 2.4% from 3.1% the previous month.

In the public sector, excluding financial services, growth was up to 2.2% in October against a 1.6% rise in September.

Headline earnings growth (the rolling three-month average) for the whole economy was up to 2.5% in October from the revised rise of 2.3% for September.

In manufacturing, growth was up to 2.3% in October from 1.9% the previous month. The growth in services was up to 2.6% from 2.4%.

In the private sector as a whole, growth edged up to 2.7% from 2.5%, while in the public sector, excluding financial services, growth was up to 1.8% from 1.7%.

£ a week	Average weekly earnings ¹				
	Whole economy	Manufacturing	Services	Private sector	Public sector ²
August 2016	496	579	480	494	503
September (r)	496	580	480	494	500
October (r)	498	578	483	497	501
November	500	579	484	498	503
December	499	579	483	496	502
Jan 2017	499	581	484	497	503
February	499	582	484	498	504
March	502	581	488	501	505
April	504	585	488	502	505
May	504	584	489	502	508
June	506	585	490	506	505
July	506	589	491	504	508
August	508	590	492	506	512
September (r)	510	591	494	509	509
October (p)	510	595	495	509	512
% annual change					
Single month	2.3	3.0	2.4	2.4	2.2
3-month average ³	2.5	2.3	2.6	2.7	1.8

¹ Average weekly earnings in Great Britain, seasonally adjusted, including bonuses, but excluding arrears. ² Excludes financial services. ³ Average of the seasonally adjusted data for the latest three months compared with three months a year earlier. (p) provisional (r) revised

The ONS also produces regular pay figures which strip out bonuses. For the whole economy, growth was up to 2.4% in October from 2.3% in September.

The increases in the year to October for various sectors, along with the previous month's rises in brackets, were: manufacturing 2.4% (2.0%); services 2.3% (2.3%); private sector 2.4% (2.5%); and public sector, excluding financial services, 2.2% (1.7%).

The average rise for regular pay in the whole economy for the three-month period ending October was up to 2.3% from 2.2% the previous month.

The three-month sectoral increases were: manufacturing 2.1% (1.5%); services 2.3% (2.3%); private sector 2.5% (2.4%); and public sector, excluding financial services, 1.9% (1.7%).

The following table is based on the median average earnings figures for April 2017 published in the Annual Survey of Hours and Earnings. The original median figures have been updated by the 1.2% increase in average weekly earnings, including bonuses, for the whole economy between April 2017 and October 2017 and so give a rough estimate of earnings now in the various occupational groups.

Full-time average weekly earnings by occupation	
	£ a week
All employees	557.00
All male	598.60
All female	499.50
Managers	834.00
Professionals	741.90
Associate professionals	612.90
Admin & secretarial	436.80
Skilled/craft	515.90
Services	365.70
Sales	374.80
Operatives	478.20
Other manual jobs	374.00

www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/december2017

Inflation dips to 3.9%

Retail price inflation took a dip in November after a couple of months of increases.

In November, the Retail Prices Index (RPI) stood at 275.8 and the annual rate of inflation in the measure

favoured by union negotiators was down to 3.9% from 4.0% in October.

Falls in clothing and food prices were offset to some extent by more expensive domestic energy.

In November, inflation under the Consumer Prices Index Housing (CPIH) – now the government's preferred measure – was unchanged at 2.8%. Meanwhile, inflation under the Consumer Prices Index (CPI) was up to 3.1% from 3.0%.

	Price inflation			
	RPI ¹	RPI	RPIX ²	CPIH
		<u>% increase on a year earlier</u>		
October 2016	264.8	2.0	2.2	1.3
November	265.5	2.2	2.5	1.5
December	267.1	2.5	2.7	1.8
January 2017	265.5	2.6	2.9	1.9
February	268.4	3.2	3.5	2.3
March	269.3	3.1	3.4	2.3
April	270.6	3.5	3.8	2.6
May	271.7	3.7	3.9	2.7
June	272.3	3.5	3.8	2.6
July	272.9	3.6	3.9	2.6
August	274.7	3.9	4.1	2.7
September	275.1	3.9	4.1	2.8
October	275.3	4.0	4.2	2.8
November	275.8	3.9	4.0	2.8

¹ January 1987=100 ² RPI except mortgage interest payments

Eight of the 14 groups that make up the basket of goods used to calculate the RPI increased by more than 3.9% in November.

The 9.8% rise in the clothing and footwear group included a rise of 13.0% in women's clothing and an 11.8% increase in men's clothing.

The fuel and light group posted an increase of 6.8%, which included an 11.4% rise in electricity prices and a 16.2% rise in oil prices.

In the food group there were substantial increases of 21.6% for butter and 10.2% for coffee and hot drinks, but tea was only up by 0.2% this month. Other rises included a 5.3% for bread and 7.6% for milk products.

The influence of a weaker pound pushed foreign holidays up by 5.8%, while UK holidays posted a 3.8% rise, pushing the overall rate for the leisure services group up to 4.0%.

The 3.8% increase in the fares and other travel costs group included a 14.0% increase in bus and coach fares.

The housing group's overall increase of 2.4% included a 1.2% decrease in mortgage interest payments, while council tax and rates posted 3.8% increase.

More than 3.9%	%	Less than 3.9%	%
Clothing & footwear	9.8	Fares etc	3.8
Fuel & light	6.8	Alcoholic drink	3.2
Motoring expenditure	5.5	Catering	3.0
Tobacco	5.3	Housing	2.4
Leisure goods	4.8	Household services	2.3
Household goods	4.4	Personal goods & services	1.7
Food	4.0		
Leisure services	4.0		

www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/november2017

Unemployment heads south to 1.43 million

Unemployment has continued to fall, according to official sources.

The number of unemployed people in the UK fell by 26,000 to 1.43 million in the three-month period ending October 2017 compared with the previous three-month period ending July, Labour Force Survey data showed. However, the total unemployment rate was steady at 4.3%.

In the October period, the number of unemployed men fell by just 5,000 to 783,000 compared with the previous three-month period ending July, but their unemployment rate remained at 4.4%

The number of unemployed women was cut by 21,000 to 647,000, and their unemployment rate was cut to 4.1% from 4.2%.

There was an increase on the other main unemployment measure – the claimant count – which only includes claimants receiving Jobseeker's Allowance and those on the means-tested Universal Credit.

In November, unemployment under this count increased by 5,900 to 817,500 from the revised figure for October of 811,500.

The increase in numbers was not enough to affect the joblessness rate which remained at 2.3%.

Male claimants were up in number by 1,900 to 506,700, but their joblessness rate was unchanged at 2.7%.

The number of female claimants increased by 4,100 to 310,800 and their joblessness rate edged up to 1.9% from 1.8% the previous month.

Unemployment seasonally adjusted				
	Claimants ¹		LFS ³	
	(000s)	% ²	(000s)	%
September 2016	778	2.2	1,606	4.8
October	782	2.2	1,612	4.8
November	789	2.2	1,600	4.8
December	783	2.2	1,594	4.8
January 2017	765	2.2	1,580	4.7
February	762	2.2	1,559	4.7
March	784	2.2	1,541	4.6
April	796	2.3	1,530	4.6
May	801	2.3	1,495	4.5
June	806	2.3	1,484	4.4
July	803	2.3	1,455	4.3
August	802	2.3	1,443	4.3
September	805	2.3	1,425	4.3
October (r)	812	2.3	1,429	4.3
November (p)	818	2.3		

¹ Jobseeker's Allowance and Universal Credit claimants ² Percentage of working population – the employees, unemployed, self-employed and the armed forces.
³ The Labour Force Survey definition of unemployment – the number of unemployed people who want a job and are ready to start work in two weeks, and have looked for work in the past four weeks. Each figure is the average of the past three months – a rolling average. (p) provisional (r) revised

Regions In the three months to October 2017, unemployment was down on the previous three-month period in six of the UK's 12 regions/countries, was unchanged in one – the North East – and increased in five.

There was a 14,000 fall in the West Midlands, while numbers in London were down by 13,000 and 12,000 in Northern Ireland.

The largest increase in numbers – 8,000 – was in Scotland, with the East Midlands posting a 7,000 rise.

The unemployment rate was above the UK average of 4.3% in five of the 12 regions/countries. The highest rates were 5.9% in the North East and 5.3% in the West Midlands.

In November, the claimant count increased in the 11 of the 12 regions/countries and fell in Northern Ireland.

The claimant count rate was above the UK average of 2.3% in seven regions/countries. The highest rates were 4.4% in the North East, 3.2% in Northern Ireland and 3.1% in the North West.

Region	Nov claimants		LFS Aug – Oct	
	Number	%	Number	%
North East	54,100	4.4	77,000	5.9
North West	113,200	3.1	150,000	4.2
Yorkshire & the Humber	77,700	2.7	131,000	5.0
East Midlands	48,700	2.1	98,000	4.2
West Midlands	87,900	3.0	150,000	5.3
East	51,000	1.6	115,000	3.6
London	123,000	2.1	240,000	4.9
South East	67,200	1.3	145,000	3.0
South West	45,400	1.5	105,000	3.7
Wales	39,100	2.6	71,000	4.7
Scotland	81,300	2.9	114,000	4.1
Northern Ireland	29,000	3.2	34,000	3.9

www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/december2017

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